

Decision No. 26081

26081

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
JACK GODFREY and JOE NOVERO )  
for authorization and permission to )  
sign and execute a deed of trust on ) Application No. 18905  
Dos Palos Water Works, a public utility.)

L. M. Linneman, for applicants.

BY THE COMMISSION:

O P I N I O N

This is an application for an order authorizing Jack Godfrey, doing business under the firm name and style of Dos Palos Water Works, to execute a deed of trust and to issue a seven percent promissory note to Joe Novero in the principal amount of \$5,000.00, for the purpose of paying outstanding indebtedness and of financing the cost of additions and betterments.

It appears that Jack Godfrey, since the latter part of 1929, has been engaged in the business of operating the properties known as the Dos Palos Water Works for the distribution of water for domestic and other purposes to about 185 consumers residing in and about the Town of Dos Palos, Merced County. The records of the Commission show that Mr. Godfrey acquired the properties from West San Joaquin Valley Water Company pursuant to authority granted by Decision No. 21467, dated August 20, 1929, for a consideration of \$6,000.00, payable in the amount of \$1,500.00 in cash and \$4,500.00 in monthly installments of \$50.00 for a period of three years and thereafter at the rate of \$75.00 a month until paid, with interest on deferred balances

at the rate of six percent per annum.

At the time of the transfer of the system from West San Joaquin Valley Water Company to Mr. Godfrey, the original cost thereof was estimated at \$17,000.00 and the present value at \$9,000.00. Since that time it is reported that \$7,515.40 had been expended for permanent extensions as follows:-

3550 feet of 4" black dip steel pipe on Blossom and Almond Streets, including cost of pipe, digging ditch and backfill, etc.	\$3,014.00
5282 feet of 2" black dip steel pipe on Blossom Street including cost of pipe, digging ditch, backfill, etc. ....	3,697.40
60 5/8" meters, \$12.50 each .....	750.00
60 meter boxes, 90¢ each .....	54.00
Total .....	<u>\$7,515.40</u>

The Commission now is advised that there is due from Mr. Godfrey, and unpaid, the following amounts:-

Unpaid principal on purchase contract with West San Joaquin Valley Water Co.....	\$3,703.97
Accrued interest to April 30, 1933 .....	445.10
Taxes to June 30, 1933 .....	234.60
Bill for water purchased .....	321.90
Pacific Pipe Company-bill for purchase of pipe .....	450.00
Meter bill .....	164.70
Legal costs .....	50.00
Total .....	<u>\$5,370.27</u>

In order to discharge the indebtedness due West San Joaquin Valley Water Company and to pay in part the other amounts, Mr. Godfrey has made arrangements to borrow \$5,000.00 from Joe Novero to be secured by a deed of trust covering the water properties and to be evidenced by a seven percent note payable in the sum of \$250.00 on August 15, 1933 and \$250.00 quarterly thereafter on the fifteenth day of each and every third month until August 15, 1938, when the entire

balance then unpaid shall become due and payable.

A copy of the proposed deed of trust is filed in this proceeding as Exhibit "A". It appears to be in satisfactory form.

O R D E R

Jack Godfrey having applied to the Railroad Commission for permission to execute a deed of trust and to issue a note for \$5,000., and the Commission being of the opinion that this is not a matter in which a public hearing is necessary, that this application should be granted as herein provided, and that the money, property or labor to be procured or paid for through the issue of the note is reasonably required for the purpose specified herein,

IT IS HEREBY ORDERED, that Jack Godfrey be, and he hereby is, authorized to execute a deed of trust, substantially in the same form as that filed in this proceeding as Exhibit "A", and to issue a promissory note, secured by said deed of trust, in the principal amount of \$5,000.00, payable as indicated in the foregoing opinion, with interest at not exceeding seven percent per annum, for the purpose of paying outstanding indebtedness and of financing in part the cost of additions to and betterments of his water system, provided-

1. That the authority herein granted to execute a deed of

trust is for the purpose of this proceeding only and is granted only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which it may be subject.

2. That Jack Godfrey keep such record of the issue of the note herein authorized and of the disposition of the proceeds as will enable him to file, within thirty(30) days thereafter, a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.
3. That the authority herein granted will not become effective until Jack Godfrey has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 19th day of June, 1933.

C. L. Leary  
Leon A. Wiley  
W. H. Lee  
M. B. Harris  
W. H. Lee  
Commissioners.

Fee \$25.00  
RAILROAD COMMISSION  
JUN 20 1933  
W. H. Lee  
Fee 30420